

**SAMUEL W. STEVENS, III**  
*Certified Public Accountant*

**URBAN HOUSING OF AMERICA, INC., LOUISIANA**  
**SHREVEPORT, LOUISIANA**

**DECEMBER 31, 2005**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-9-06

**URBAN HOUSING OF AMERICA, INC., LOUISIANA  
SHREVEPORT, LOUISIANA**

**Financial Statements and Independent Accountant's Reports**

**For the Year ended December 31, 2005**

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# **SAMUEL W. STEVENS, III CPA**

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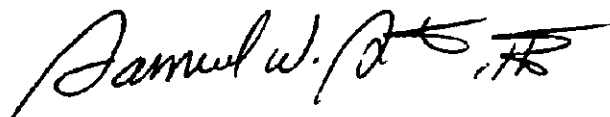
## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
Urban Housing of America, Inc. Louisiana  
Shreveport, Louisiana

I have reviewed the accompanying statement of position of Urban Housing of America, Inc. Louisiana, as of December 31, 2005, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Urban Housing of America, Inc. Louisiana,

A review consists principally of inquiries of organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.



June 26, 2006

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# URBAN HOUSING OF AMERICA, INC

## Statement of Financial Position December 31, 2005

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Assets</b>			
<i>Current Assets:</i>			
Cash	\$ 77,367	\$ 46,248	\$ 123,615
Total Current Assets	<u>77,367</u>	<u>46,248</u>	<u>123,615</u>
<i>Other Assets:</i>			
Other Assets	<u>225</u>	<u>          </u>	<u>225</u>
Total Assets	<u>\$ 77,592</u>	<u>\$ 46,248</u>	<u>\$ 123,840</u>
<b>Liabilities and Net Assets</b>			
<i>Current Liabilities:</i>			
Accounts Payable & Accrued Expenses	\$ 67,017	\$ 20,853	\$ 87,870
Payroll Taxes Payable	<u>          </u>	<u>8,415</u>	<u>8,415</u>
Total Liabilities	<u>67,017</u>	<u>29,268</u>	<u>96,285</u>
<i>Net Assets:</i>			
Unrestricted Net Assets	10,575		10,575
Temporarily Restricted Net Assets	<u>          </u>	<u>16,980</u>	<u>16,980</u>
Total Net Assets	<u>10,575</u>	<u>16,980</u>	<u>27,555</u>
Total Liabilities and Net Assets	<u>\$ 77,592</u>	<u>\$ 46,248</u>	<u>\$ 123,840</u>

See Accompanying Notes to Financial Statements

# URBAN HOUSING OF AMERICA, INC

## Statement of Activities For the Year Ended December 31, 2005

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<i>Revenue and Support:</i>			
Grants			
Governor's Office of Urban Affairs and Development	\$ -	\$ 160,000	\$ 160,000
Louisiana State Treasurer Appropriations		75,000	75,000
City Of Shreveport	15,000		15,000
Contract Services	85,000		85,000
Management Fees	116,957	-	116,957
Other Income	-	1,330	1,330
Total Revenue and Support	<u>216,957</u>	<u>236,330</u>	<u>453,287</u>
<i>Expenses:</i>			
Administrative and Programatic			
Salaries & Wages	-	89,489	89,489
Payroll Tax Expense	-	19,586	19,586
Service Contracts	5,000	12,536	17,536
Rent	8,126	-	8,126
Telephone	3,226	-	3,226
Utilities	96	-	96
Office Expense, Supplies	2,862	7,415	10,277
Repairs and Maintenance	7,272	38	7,310
Postage	734	17	751
Travel & Entertainment	3,054	-	3,054
Project Development	1,640	-	1,640
Accounting, Legal and Professional	65,188	18,321	83,509
Insurance	-	3,060	3,060
Interest Expense	7,305	-	7,305
Subscription	1,442	-	1,442
Property Taxes	3,883	-	3,883
Bank Charges	30	-	30
Other Administrative Expenses	48,195	-	48,195
Other Expenses	21,270	68,888	90,158
Total Expenses	<u>179,323</u>	<u>219,350</u>	<u>398,673</u>
<i>Change in Net Assets</i>	37,634	16,980	54,614
<i>Net Assets :</i>			
Beginning of Year	<u>(27,059)</u>	<u>-</u>	<u>(27,059)</u>
End of Period	<u>\$ 10,575</u>	<u>\$ 16,980</u>	<u>\$ 27,555</u>

See Accompanying Notes to Financial Statements

**URBAN HOUSING OF AMERICA, INC**

**Statement of Cash Flows**  
**For the Year Ended December 31, 2005**

*Cash Flows from Operating Activities*

Change in Net Assets \$ 54,614

Adjustment to Reconcile Change in Net Assets to

Net Cash Provided from Operations:

Increase/(Decrease) in Accounts Payable 78,756

Increase/(Decrease) in Payroll Taxes 8,415

Total Adjustments 87,171

*Net Cash Provided/(Used) by Operating Activities* 141,785

*Cash Flows from Investing Activities*

Other assets (225)

*Net Cash Provided/(Used) by Investing Activities* (225)

*Net Increase/(Decrease) in Cash and Cash Equivalents* 141,560

*Cash and Cash Equivalents, Beginning of Year* (17,945)

*Cash and Cash Equivalents, End of Year* \$ 123,615

See Accompanying Notes to Financial Statements

**URBAN HOUSING OF AMERICA, INC., LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2005**

**NOTE 1 – ORGANIZATION**

Urban Housing of America, Inc. is a Louisiana not-for-profit corporation. It was established to undertake, promote, develop and carry on low income housing development, management, ownership, and charitable work; to engage in the business of developing, maintaining, managing, and owning low income housing and providing charitable services dedicated to the improvement of living conditions of low income families; providing them with other services, i.e. childcare, job placement, family counseling, food purchasing programs, and personal financial planning targeting better living skills in order to improve their living and working conditions.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Reporting**

The financial statements are presented on the accrual basis of accounting and are prepared in accordance with current recommendations of the American Institute of Certified Public Accountants for Not-for-Profit Organizations. The significant accounting policies are described below:

**Financial Statement Presentation**

The Organization adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements for Not-For-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Revenue Recognition from Grants**

The Organization receives urban development grants from non-U.S. governmental agencies. The grants are recognized in earnings in the period in which the related expenditures are incurred.

**Federal Income Tax**

Urban Housing Of America, Inc., Louisiana is exempt from income taxes under Section 501(c)(3) of the Internal revenue Code and, therefore, no provision for income taxes has been made.

**NOTE 3 – OPERATING LEASES**

The Organization leases its corporate office under an operating lease, on a month-to-month basis for \$550 per month.

# **SAMUEL W. STEVENS, III CPA**

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## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors  
Urban Housing of America, Inc. Louisiana  
Shreveport, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the Board of Directors of Urban Housing of America, Inc. Louisiana, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about the Urban Housing of America, Inc. Louisiana's compliance with certain laws and regulations during the year ended December 31, 2005, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Federal, State, and Local Awards**

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Grantor	Grant Year	ID No.	Amount
La Governor's Office Of Urban Affairs and Development	2004 - 2005		\$160,000
La. State Treasurer Appropriation	2004 - 2005		75,000
City of Shreveport	2005		<u>15,000</u>
			<u>\$250,000</u>

2. For each Federal, state, and local award, I randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements were selected..
3. For the items selected in procedure 2., I traced the six disbursements to supporting documentation as to proper amount and payee.



I examined the supporting documentation for each of the six disbursements and found that the payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2., I determined that the six disbursements were properly coded to the correct fund and general ledger account.

All six payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2., I determined that the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approval from the Director.

6. For the items selected in procedure 2.: For federal awards, I determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, I determined the disbursements complied with the grant agreements, relating to:

Activities allowed or not allowed: N/A

Eligibility: N/A

Reporting: N/A

7. For the programs selected for testing in item 2, that have been closed out during the period under review, compare the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

For the programs selected for testing in item 2., there were no programs closed out during the period under review.

#### **Meetings**

8. I examined evidence indicating that agendas for meeting recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

As defined in LSA-RS 42:1 through 42:12, Urban Housing of America, Inc, a not-for-profit organization is not-a Public Body. Therefore, it is not subject to the open meetings law..

#### **Comprehensive Budget**

9. For all grants exceeding five thousand dollars, I determined that each applicable federal, state or local grantor agency/agencies was provided with a comprehensive budget to those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

The Urban Housing of America, Inc. Louisiana provided a comprehensive budget, including purpose and duration, to each state and local grantor agency noted. The budget provided to the state agency included specific goals and objectives and measures of performance.

#### **Prior Comments and Recommendations**


10. I reviewed any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

There are no prior year suggestions, recommendations, and/or comments.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Urban Housing of America, Inc. Louisiana, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

June 26, 2006



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**LOUISIANA ATTESTATION QUESTIONNAIRE****May 10, 2006****Samuel J. Stevens, III CPA****P.O. Box 52631****Shreveport, Louisiana 71135**

In connection with your review of our financial statements as of December 31, 2005 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 31, 2005.

**Federal, State, and Local Awards**

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law)

Yes ☒ No ☐**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

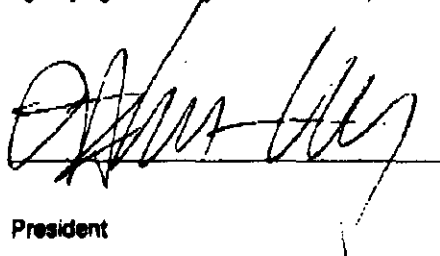
Yes ☒ No ☐**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.

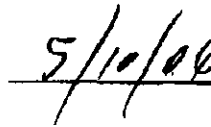
Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.



President



Date